WASHINGTON STATE DEPARTMENT OF REVENUE



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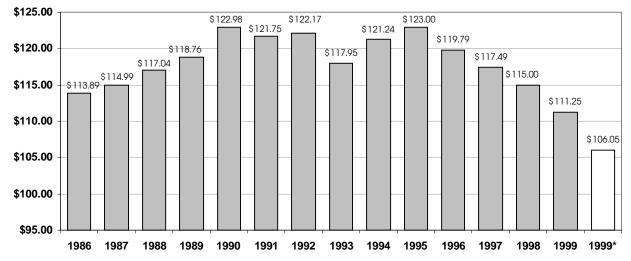
State & local tax burdens drop to lowest level since early 1980s

OLYMPIA, Wash., October 24, 2001— State and local tax burdens in Washington have dropped to levels not seen since the early 1980s, according to new figures for 1999 just released by the U.S. Census Bureau.

Washington's ranking among the states in state and local tax burdens dropped to 20th nationally in 1999 from 17th in 1998, according to data provided to states by the federal agency.

The new rankings do not yet include the effect of the elimination of the motor vehicle excise tax beginning in 2000. Had that tax been eliminated in 1999, Washington's ranking would have dropped to 32nd nationally.

Washington Taxes Per \$1,000 Personal Income State & Local Taxes



*The far right column shows what tax burdens would have been had the Motor Vehicle Excise Tax been eliminated in 1999. Effects of its elimination will first show up in the 2000 rankings.

Washingtonians paid \$111.25 in taxes for every \$1,000 in personal income in 1999, compared to \$115 in 1998. Factor out the motor vehicle excise tax and taxes drop to \$106.05 per \$1,000, the lowest since they plummeted to \$101.80 in 1982 during the state's last major recession. The national average for 1999 was \$110.48.

Washington's ranking in taxes per capita remained unchanged at 13th with a tax burden of \$3,148 per person. The national average for 1999 was \$2,992.

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